

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
LUFKIN DIVISION**

**J. BENJAMIN JOHNSON, JR.,
JOHN M. MARTINECK, HARROLD
E. ("GENE") WRIGHT, LEONARD
BROCK, DANIELLE BRIAN, AND
PROJECT ON GOVERNMENT
OVERSIGHT,**

Relators,

**BRINGING THIS ACTION ON
BEHALF OF THE
UNITED STATES OF AMERICA**

**c/o J. Michael Bradford
United States Attorney for the
Eastern District of Texas
350 Magnolia Ave., Suite 150
Beaumont, TX 77701-2237**

and

**c/o Janet Reno
Attorney General of the United
States Department of Justice
10th & Constitution Aves., N.W.
Washington, DC 20530,**

Plaintiffs,

VS.

**SHELL OIL COMPANY,
SHELL DEEPWATER
PRODUCTION, INC.,
SHELL OFFSHORE VENTURES, INC.,**

**FIRST CONSOLIDATED
COMPLAINT**

Date Received:_____

**All Pleadings and Motions filed *IN*
CAMERA. Sealed pursuant to
31 U.S.C. § 3730(b)(2) and
by order of the Court with Seal
Expiring February 20, 1998**

JUDGE JOHN H. HANNAH, JR.

**CIVIL ACTION NO. 9:96CV66
(The Consolidation of former Cause Nos.
9:96CV66; 9:97CV7; 9:97CV208;
and 9:97CV209)**

SHELL OIL PRODUCTS COMPANY,	*
SHELL WESTERN EXPLORATION	*
& PRODUCTION, INC.,	*
SHELL EXPLORATION AND	*
PRODUCTION COMPANY,	*
SHELL CONSOLIDATED ENERGY	*
RESOURCES, INC.,	*
SHELL FRONTIER OIL & GAS, INC.,	*
SHELL LAND & ENERGY CO.,	*
SHELL OFFSHORE, INC.,	*
AMOCO CORPORATION,	*
AMOCO COMPANY,	*
AMOCO OIL COMPANY,	*
AMOCO PRODUCTION CO.,	*
AMOCO SUPPLY & TRADING	*
COMPANY,	*
AMOCO PIPELINE COMPANY,	*
AMOCO PETROLEUM PRODUCTS,	*
CONOCO, INC.,	*
BURLINGTON RESOURCES, INC.,	*
BURLINGTON RESOURCES OIL	*
& GAS COMPANY,	*
BURLINGTON RESOURCES	*
MARKETING, INC.,	*
BURLINGTON RESOURCES	*
OFFSHORE, INC.,	*
BURLINGTON RESOURCES	*
TRADING, INC.,	*
MERIDIAN OIL, INC.,	*
MERIDIAN OIL MARKETING, INC.,	*
MERIDIAN OIL SERVICES, INC.,	*
MERIDIAN OIL TRADING, INC.,	*
MERIDIAN OIL PRODUCTION, INC.,	*
MERIDIAN OIL HOLDING, INC.,	*
MERIDIAN OIL OFFSHORE, INC.,	*
EXXON CORPORATION,	*
EXXON COMPANY, U.S.A.,	*
EXXON EXPLORATION	*
COMPANY,	*
CHEVRON CORPORATION,	*
CHEVRON U.S.A., INC.,	*
CHEVRON OIL COMPANY,	*
CHEVRON U.S.A. PRODUCTION CO.,	*
CHEVRON PRODUCTS COMPANY,	*

CHEVRON OIL TRADING	*
COMPANY, INC.,	*
MARATHON OIL CO.,	*
MARATHON OIL-REFINING	*
TRANSPORTATION &	*
MARKETING,	*
MARATHON PETROLEUM CO.,	*
UNION OIL COMPANY OF	*
CALIFORNIA,	*
UNOCAL CORPORATION,	*
UNOCAL EXPLORATION CORP.,	*
BP AMERICA, INC.,	*
BP CHEMICAL, INC.,	*
BP EXPLORATION & OIL, INC.,	*
BP NORTH AMERICAN	*
PETROLEUM, INC.,	*
BP OIL COMPANY,	*
BP ENERGY CO.,	*
BP EXPLORATION CO.,	*
BP EXPLORATION, INC.,	*
BP EXPLORATION (ALASKA), INC.	*
BP OPERATING, INC.,	*
BP OIL SUPPLY COMPANY,	*
PHILLIPS PETROLEUM CO.,	*
PHILLIPS 66 CO.,	*
PHILLIPS OIL COMPANY,	*
PENNZOIL COMPANY,	*
PENNZOIL EXPLORATION AND	*
PRODUCTION CO.,	*
PENNZOIL PETROLEUM CO.,	*
PENNZOIL PRODUCING CO.,	*
PENNZOIL UNITED, INC.,	*
PENNZOIL PRODUCTS COMPANY,	*
PENNZOIL LOUISIANA AND TEXAS	*
OFFSHORE, INC.,	*
KERR-MCGEE CORP.,	*
KERR-MCGEE OIL	*
INDUSTRIES INC.,	*
KERR-MCGEE PETROLEUM	*
EXPLORATION AND PRODUCTION,	*
KERR-MCGEE EXPLORATION &	*
PRODUCTION CORPORATION,	*
KERR-MCGEE REFINING CORP.,	*
ORYX ENERGY CO.,	*
ORYX CRUDE TRADING AND	*

TRANSPORTATION, INC.,	*
SUN COMPANY, INC. (R&M)	*
OXY USA INC.,	*
OXY PETROCHEMICALS INC.,	*
CANADIAN OXY OFFSHORE	*
PRODUCTION COMPANY,	*
UNION PACIFIC CORPORATION,	*
UNION PACIFIC FUELS, INC.,	*
UNION PACIFIC RESOURCES CO.,	*
UNION PACIFIC AUSTIN CHALK CO.,	*
UNION PACIFIC RESOURCES	*
GROUP COMPANY,	*
and	*
UNION PACIFIC OIL & GAS CO.,	*
	*

Defendants.

**FIRST CONSOLIDATED COMPLAINT FOR DAMAGES AND
OTHER RELIEF UNDER THE FEDERAL FALSE CLAIMS ACT**

Plaintiffs-Relators J. Benjamin Johnson, Jr., John M. Martineck, Harrold E. (“Gene”) Wright, Leonard Brock, Danielle Brian and Project on Government Oversight (“POGO”) (together, the “Relators”) bring this *qui tam* action in the name of the United States of America, against the Defendants named herein, and allege as follows:

I.

INTRODUCTION

1. The causes of action alleged herein arise from a nationwide conspiracy by some of the world’s largest oil companies to shortchange the United States of America (“United States”) of hundreds of millions of dollars in revenues -- known as royalties -- derived from the production of crude oil¹ from federal and American-Indian owned lands spanning more than 27

¹All references to “oil” or “crude oil” in this First Consolidated Complaint include condensates unless condensates are specifically excluded.

million acres of off-shore and on-shore tracts located in, or off the coasts of Texas, Louisiana, Mississippi, California, Alabama, Alaska, Oklahoma, Arkansas, Colorado, Arizona, Florida, Kansas, Michigan, Montana, North Dakota, Nebraska, New Mexico, Nevada, South Dakota, Utah and Wyoming.

2. Specifically, the Relators, in the name of the United States, have brought this action to recover damages and penalties attributable to, among other things, a pattern and practice of carefully developed and coordinated schemes targeted to defraud the United States of its lawful share of oil royalties² owed by the Defendants for crude oil produced from United States-owned and/or controlled lands (including American-Indian owned lands). Defendants' unlawful conduct is continuing in nature and Plaintiffs-Relators file this Complaint to ensure that the United States' rich oil reserves are not further converted and/or diverted to Defendants' use without the payment of full compensation as required by contract and law.

3. The Defendants, all of which are major oil companies operating in the United States, have underpaid oil royalties to the United States by calculating the royalties based on fraudulently deflated wellhead prices. Defendants have filed reports with the United States, citing these fraudulently deflated wellhead prices, as a basis for representing the value of the United States' entitlement to royalties.

4. Through their positions in the oil industry and/or their unique access to information, the Relators have knowledge of the unlawful conduct, including the schemes and practices alleged herein, which include Defendants' misrepresentation and underpayment of oil royalty payments to the United States by, among other things:

(i) misrepresenting that the first sale of oil under buy/sell agreements between

²Federal oil means oil from federal and American Indian-owned lands.

themselves and/or other parties is the actual value received for the oil;

(ii) buying and selling crude oil at the wellhead (to and from each other and other non-Defendant oil producers) at values less than otherwise available to the Defendants with the implicit understanding that, as long as approximately equal volumes are bought and sold, the net financial impact upon any defendant is neutral;

(iii) using sales to affiliated companies to mask the actual market value of the oil;

(iv) using an artificially low price for valuing oil when it is refined by the Defendants and never finally sold;

(v) falsely classifying oil as lower-priced “sour” crude oil, or as oil subject to quality penalties, when such oil is/was in fact higher-valued “sweet” crude oil, or oil not subject to any quality penalties or oil subject to a lesser amount of quality penalties than represented by Defendants;

(vi) paying royalties on the basis of lower-priced “sour” crude oil, and then commingling such “sour” crude oil with higher-priced “sweet” crude oil and selling the commingled mass as all “sweet” crude oil commanding a higher price not shared with the United States as royalty owner; and

(vii) paying royalties on the basis of API gravity penalties, when in fact such oil has been commingled to yield a mixture of oil not subject to API gravity penalties, or oil subject to offsetting API gravity penalties (i.e., 46 degrees API gravity oil commingled with 39 degrees API gravity oil, when the non-penalty range is 40 degrees to 45 degrees), and selling the commingled oil without API gravity penalty, but charging the United States as royalty owner for such non-existent gravity API penalty.

5. Defendants have knowingly employed these schemes in a calculated and concerted effort to cheat the United States out of its royalty income by deflating the base price of oil upon which royalties are to be paid.

II.

JURISDICTION AND VENUE

6. This action arises under the False Claims Act, 31 U.S.C. §§ 3729-3732.

7. The Relators are authorized bring these claims on behalf of the United States in

this action pursuant to 31 U.S.C. § 3730(b).

8. This Court has jurisdiction over this case pursuant to 28 U.S.C. §§ 1331 and 1345 and 31 U.S.C. § 3732(a).

9. At all times relevant to the facts of this case, one or more of the Defendants is found, resides, and/or transacts business in the Eastern District of Texas. Moreover, upon information and belief, one or more of the acts proscribed by 31 U.S.C. § 3729 occurred in the Eastern District of Texas. Accordingly, venue is proper in the Eastern District of Texas pursuant to 31 U.S.C. § 1291(b) and § 3732(a).

III.

PARTIES

A. The Relators

10. J. Benjamin Johnson, Jr., is a resident of Plano, Texas. Relator Johnson is a petroleum engineer by background with an expertise in crude oil marketing, financial evaluation, petroleum reservoir engineering and petroleum management. Relator Johnson began work for the Atlantic Richfield Company (“ARCO”) in 1979, serving as a Petroleum Engineer in Anchorage, Alaska. With the exception of a brief stint away from the company in 1981, Relator Johnson continuously served ARCO until November 1993. From January 1991, until his departure in 1993, Relator Johnson served as ARCO’s Area Manager for Crude Oil Marketing for the Eastern United States. In that capacity, he was one of three managers responsible for ARCO’s nationwide crude oil marketing operations and gained personal knowledge pertaining to oil industry marketing and sales practices including Defendants’ various practices that are alleged in this complaint.

11. John M. Martineck is a resident of Carrollton, Texas. Relator Martineck is a petroleum business manager by background with an expertise in crude oil marketing, commodities trading, petroleum accounting, financial evaluation, and petroleum management. Relator Martineck served ARCO in various capacities for more than twelve years. From April 1986 until December of 1993, Relator Martineck served as a manager in ARCO's Crude Oil Marketing Organization. In that capacity, he was one of several managers responsible for ARCO's nationwide crude oil marketing operations and gained personal knowledge pertaining to oil industry marketing and sales practices by these Defendants, including the various practices that are alleged in this complaint.

12. Harrold E. ("Gene") Wright is a resident of Tyler, Texas. Relator Wright has – for more than 49 years – been involved in the production, marketing, and sale of crude oil. He has been an officer of independent oil and gas companies, served as a production consultant, and finally as an independent oil and gas operator. As such he has been continuously involved in matters related to market and posted prices for oil, and the bases of payment to royalty owners. Relator Wright was previously a member of the Executive Committee of Independent Petroleum Association of America ("IPAA").

13. Leonard Brock is a resident of Palm Desert, California. Relator Brock has a degree in Petroleum Engineering, and has served as Director of Oil Properties for the City of Long Beach, California. In addition, he has served as director of several independent oil producers associations.

14. Danielle Brian is a resident of the Commonwealth of Virginia. Relator Brian is the Executive Director of the Project on Government Oversight ("POGO").

15. The Project on Government Oversight (“POGO”) is a non-partisan, not for profit corporation, that since 1981, has investigated, exposed and remedied abuses by those transacting business with the United States. Relator POGO has, for example, exposed contract fraud committed by some of the nations’ largest contractors. POGO maintains its principal place of business at 1900 L Street, N.W., Washington, D.C. 20005.

16. The Relators are the “original source” of information as defined in 31 U.S.C. § 3730(e)(4)(B) and bring this civil action for violations of 31 U.S.C. § 3729 on behalf of the United States pursuant to 31 U.S.C. § 3730(b)(1). Moreover, Relators have met all of the statutory requirements predicated to filing this complaint including voluntarily providing information to the United States as set forth in 31 U.S.C. § 3730(e)(4)(B).

B. The Defendants

(i) Shell

17.(a) **Defendant Shell Oil Company** (“Shell”) is a corporation organized under the laws of the State of Delaware. Shell may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. Shell, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Shell, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

17.(b) Defendant Shell Deepwater Production, Inc. (“Shell Deepwater”) is a division, subsidiary or affiliate of Shell. Shell Deepwater is a corporation organized under the laws of the

State of Delaware. Shell Deepwater may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas, Houston, Texas 77002. Shell Deepwater, by and through its parent corporation Shell, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Shell Deepwater, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

17.(c) Defendant Shell Offshore Ventures, Inc. (“Shell Ventures”) is a division, subsidiary or affiliate of Shell. Shell Ventures is a corporation organized under the laws of the State of Dallas. Shell Ventures may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 400 N. St. Paul Street, Dallas, Texas 75201. Shell Ventures, by and through its parent corporation Shell, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Shell Ventures, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

17.(d) Defendant Shell Oil Products Company (“Shell Oil Products”) is a division, subsidiary or affiliate of Shell. Shell Oil Products is a corporation organized under the laws of the State of Delaware. Shell Oil Products may be served with a Summons by serving its

registered agent, Prentice-Hall Corporation System, 800 Brazos, Austin, Texas 78701. Shell Oil Products, by and through its parent corporation Shell, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Shell Oil Products, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

17.(e) Defendant Shell Western Exploration & Production, Inc. (“Shell Western”) is a division, subsidiary or affiliate of Shell. Shell Western is a corporation organized under the laws of the State of Delaware. Shell Western may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 400 N. St. Paul Street, Dallas, Texas 75201. Shell Western, by and through its parent corporation Shell, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Shell Western, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

17.(f) Defendant Shell Exploration and Production, Inc. (“Shell Exploration”) is a division, subsidiary or affiliate of Shell. Shell Exploration is a corporation organized under the laws of the State of Delaware. Shell Western may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 800 Brazos, Austin, Texas 78701. Shell

Exploration, by and through its parent corporation Shell, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Shell Exploration, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

17.(g) Defendant Shell Consolidated Energy Resources, Inc. (“Shell Consolidated”) is a division, subsidiary, or affiliate of Defendant Shell. Shell Consolidated is a corporation organized under the laws of the State of Delaware. Shell Consolidated may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. Shell Consolidated, by and through its parent corporation Shell, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Shell Consolidated, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

17.(h) Defendant Shell Frontier Oil & Gas, Inc. (“Shell Frontier”) is a division, subsidiary, or affiliate of Defendant Shell. Shell Frontier is a corporation organized under the laws of the State of Delaware. Shell Frontier may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. Shell Frontier, by and through its parent corporation Shell, its past and present representatives, agents,

subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Shell Frontier, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

17.(i) Defendant Shell Land & Energy Co. (“Shell Land”) is a division, subsidiary, or affiliate of Defendant Shell. Shell Land is a corporation organized under the laws of the State of Delaware. Shell Land may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. Shell Land, by and through its parent corporation Shell, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Shell Land, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

17.(j) Defendant Shell Offshore, Inc. (“Shell Offshore”) is a division, subsidiary, or affiliate of Defendant Shell. Shell Offshore is a corporation organized under the laws of the State of Delaware. Shell Offshore may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. Shell Offshore, by and through its parent corporation Shell, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States,

including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Shell Offshore, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

(ii) Amoco

18.(a) Defendant Amoco Corporation (“Amoco”) is a corporation organized under the laws of the State of Indiana. Amoco may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 400 N. St. Paul Street, Dallas, TX 75201. Amoco, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Amoco, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

18.(b) Defendant Amoco Company is a division, subsidiary or affiliate of Defendant Amoco. Amoco Company is a corporation organized under the laws of the State of Maryland. Amoco Company may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 400 N. St. Paul Street, Dallas, TX 75201. Amoco Company, by and through its parent corporation Amoco, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Amoco Company, by and through its parent

corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

18.(c) Defendant Amoco Oil Company (“Amoco Oil”) is a division, subsidiary or affiliate of Defendant Amoco. Amoco Oil is a corporation organized under the laws of the State of Maryland. Amoco Oil may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 400 N. St. Paul Street, Dallas, TX 75201. Amoco Oil, by and through its parent corporation Amoco, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Amoco Oil, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

18.(d) Defendant Amoco Production Co. (“Amoco Production”) is a division, subsidiary or affiliate of Defendant Amoco. Amoco Production is a corporation organized under the laws of the State of Delaware. Amoco Production may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. Amoco Production, by and through its corporate parent Amoco, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Amoco Production, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions

and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

18.(e) Defendant Amoco Supply & Trading Company (“Amoco S & T”) is a division, subsidiary, or affiliate of Defendant Amoco. Amoco S & T is a corporation organized under the laws of the State of Delaware. Amoco S & T may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. Amoco S & T, by and through its parent corporation Amoco, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Amoco S & T, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

18.(f) Defendant Amoco Pipeline Company (“Amoco Pipeline”) is a division, subsidiary, or affiliate of Defendant Amoco. Amoco Pipeline is a corporation organized under the laws of the State of Maine. Amoco Pipeline may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 800 Brazos, Austin, Texas 78701. Amoco Pipeline, by and through its parent corporation Amoco, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Amoco Pipeline, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas,

including the Eastern District of Texas.

18.(g) Defendant Amoco Petroleum Products (“Amoco Petroleum”) is a division, subsidiary, or affiliate of Defendant Amoco. Amoco Petroleum is a corporation organized under the laws of the State of Delaware. Amoco Petroleum may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 800 Brazos, Austin, Texas 78701.

Amoco Petroleum, by and through its parent corporation Amoco, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Amoco Petroleum, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

(iii) Conoco

19. **Defendant Conoco, Inc.** (“Conoco”) is a corporation organized under the laws of the State of Delaware. Conoco may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. Conoco, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Conoco, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

(iv) **Burlington Resources**

20.(a) **Defendant Burlington Resources, Inc.** (“Burlington”) is a corporation organized under the laws of the State of Delaware. Burlington may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. Burlington, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Burlington, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

20.(b) Defendant Burlington Resources Oil & Gas Company (“Burlington Oil”) is a division, subsidiary, or affiliate of Defendant Burlington. Burlington Oil is a corporation organized under the laws of the State of Delaware. Burlington Oil may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, TX 75201. Burlington Oil, by and through its parent corporation Burlington, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Burlington Oil, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

20.(c) Defendant Burlington Resources Marketing, Inc. (“Burlington Marketing”) is a division, subsidiary, or affiliate of Defendant Burlington. Burlington Marketing is a corporation organized under the laws of the State of Delaware. Burlington Marketing may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, TX 75201. Burlington Marketing, by and through its parent corporation Burlington, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Burlington Resources, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

20.(d) Defendant Burlington Resources Offshore, Inc. (“Burlington Offshore”) is a division, subsidiary, or affiliate of Defendant Burlington. Burlington Offshore is a corporation organized under the laws of the State of Delaware. Burlington Offshore may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, Texas 77002. Burlington Offshore, by and through its parent corporation Burlington, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Burlington Offshore, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

20.(e) Defendant Burlington Resources Trading, Inc. (“Burlington Trading”) is a

division, subsidiary, or affiliate of Defendant Burlington. Burlington Trading is a corporation organized under the laws of the State of **Delaware**. Burlington Trading may be served with a Summons by serving its registered agent, **CT Corporation System, 811 Dallas Avenue, Houston, Texas 77002**. Burlington Trading, by and through its parent corporation Burlington, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Burlington Trading, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

20.(f) Defendant Meridian Oil, Inc. (“Meridian”) is a division, subsidiary, or affiliate of Defendant Burlington. Meridian is a corporation organized under the laws of the State of Delaware. Meridian may be served with a Summons by serving its registered agent, CT Corporation System, 350 St. Paul Street, Dallas, TX 75201. Meridian, by and through its parent corporation Burlington, its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Meridian, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

20.(g) Defendant Meridian Oil Marketing, Inc. (“Meridian Oil”) is a division, subsidiary or affiliate of Defendant Burlington. Meridian Oil is a corporation organized under the laws of

the State of Delaware. Meridian Oil may be served with a Summons by serving its registered agent, CT Corporation System, 350 St. Paul Street, Dallas, TX 75201. Meridian Oil, by and through its parent corporation Burlington, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Meridian Oil, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

20.(h) Defendant Meridian Oil Services, Inc. (“MOS”) is a division, subsidiary or affiliate of Defendant Burlington. MOS is a corporation organized under the laws of the State of Delaware. MOS may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. MOS, by and through its parent corporation Burlington, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, MOS, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

20.(i) Defendant Meridian Oil Trading, Inc. (“MOT”) is a division, subsidiary or affiliate of Defendant Burlington. MOT is a corporation organized under the laws of the State of Delaware. MOT may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, TX 75201. MOT, by and through its parent

corporation Burlington, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, MOT, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

20.(j) Defendant Meridian Oil Production, Inc. is a division, subsidiary, or affiliate of Defendant Burlington. Meridian Oil Production, Inc. is a corporation organized under the laws of the State of Delaware. Meridian Oil Production, Inc. may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, TX 75201. Meridian Oil Production, Inc., by and through its parent corporation Burlington, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Meridian Oil Production, Inc., by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

20.(k) Defendant Meridian Oil Holding, Inc. is a division, subsidiary, or affiliate of Defendant Burlington. Meridian Oil Holding, Inc. is a corporation organized under the laws of the State of Delaware. Meridian Oil Holding, Inc. may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, TX 75201. Meridian Oil Holding, Inc., by and through its parent corporation Burlington, its past and present

representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Meridian Oil Holding, Inc., by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

20.(l) Defendant Meridian Oil Offshore, Inc. is a division, subsidiary, or affiliate of Defendant Burlington. Meridian Oil Offshore, Inc. is a corporation organized under the laws of the State of Delaware. Meridian Oil Offshore, Inc. may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, Texas 77002. Meridian Oil Offshore, Inc., by and through its parent corporation Burlington, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Meridian Oil Offshore, Inc., by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

(v) **Exxon**

21.(a) **Defendant Exxon Corporation** (“Exxon”) is a corporation organized under the laws of the State of New Jersey. Exxon may be served with a Summons by serving its registered agent, John F. Tully, 800 Bell Street, Houston, TX 77002. Exxon, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned

and United States-controlled lands. At all times relevant to the facts in this case, Exxon, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

21.(b) Defendant Exxon Company USA (“Exxon USA”) is a division, subsidiary or affiliate of Defendant Exxon Corporation. Exxon USA is a corporation organized under the laws of the State of New Jersey. Exxon USA may be served with a Summons by serving its registered agent, John F. Tully, 800 Bell Street, Houston, TX 77002. Exxon USA, by and through its parent corporation Exxon, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Exxon USA, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

21.(c) Defendant Exxon Exploration Company (“Exxon Exploration”) is a division, subsidiary or affiliate of Defendant Exxon Corporation. Exxon Exploration is a corporation organized under the laws of the State of New Jersey. Exxon Exploration may be served with a Summons by serving its registered agent, John F. Tully, 800 Bell Street, Houston, TX 77002. Exxon Exploration, by and through its parent corporation Exxon, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Exxon Exploration,

by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

(vi) **Chevron**

22.(a) **Defendant Chevron Corporation** (“Chevron”) is a corporation organized under the laws of the Commonwealth of Pennsylvania. Chevron may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 800 Brazos, Austin, Texas 78701. Chevron, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Chevron, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

22.(b) Defendant Chevron U.S.A., Inc. (“Chevron USA”) is a corporation organized under the laws of the Commonwealth of Pennsylvania. Chevron may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 800 Brazos, Austin, Texas 78701. Chevron, by and through its parent corporation Chevron, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Chevron, by and through its parent corporation, its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout

the United States and Texas, including the Eastern District of Texas.

22.(c) Defendant Chevron Oil Company (“Chevron Oil”) is a corporation organized under the laws of the State of Delaware. Chevron Oil may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, TX 75201. Chevron Oil, by and through its parent corporation Chevron, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Chevron Oil, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

22.(d) Defendant Chevron U.S.A. Production Co. (“Chevron USA Production”) is a corporation organized under the laws of the Commonwealth of Pennsylvania. Chevron USA Production may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 400 N. St. Paul Street, Dallas, Texas 75201. Chevron USA Production, by and through its parent corporation Chevron, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Chevron USA Production, by and through its parent corporation, its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

22.(e) Defendant Chevron Products Company (“Chevron Products”) is a corporation organized under the laws of the State of Delaware. Chevron Products may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, TX 75201. Chevron Products, by and through its parent corporation Chevron, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Chevron Products, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

22.(f) Defendant Chevron Oil Trading Company, Inc. (“Chevron Trading”) is a corporation organized under the laws of the State of Delaware. Chevron Trading may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, TX 75201. Chevron Trading, by and through its parent corporation Chevron, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Chevron Trading, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

(vii) **Marathon**

23.(a) **Defendant Marathon Oil Co.** (“Marathon”) is a corporation organized under the laws of the State of Delaware. Marathon may be served with a Summons by serving its

registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Marathon, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Marathon, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

23.(b) Defendant Marathon Oil-Refining Transportation & Marketing (“Marathon Oil-Refining”) is a division, subsidiary, or affiliate of Defendant Marathon. Marathon Oil-Refining is a corporation organized under the laws of the State of **Ohio**. Marathon Oil-Refining may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. Marathon Oil-Refining, by and through its parent corporation Marathon, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Marathon Oil-Refining, by and through its parent corporation, past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

23.(c) Defendant Marathon Petroleum Co. (“Marathon Petroleum”) is a division, subsidiary, or affiliate of Defendant Marathon. Marathon Petroleum is a corporation organized under the laws of the State of Delaware. Marathon Petroleum may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201.

Marathon Petroleum, by and through its parent corporation Marathon, its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Marathon Petroleum, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

(viii) Union Oil (UNOCAL)

24.(a) **Defendant Union Oil Company of California** (“Union Oil”) is a corporation organized under the laws of the State of California. Union Oil may be served with a Summons by serving its registered agent, CT Corporations system, 811 Dallas Avenue, Houston, TX 77002. Union Oil, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Union Oil, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

24.(b) Defendant UNOCAL Corporation (“UNOCAL”) is a division, subsidiary or affiliate of Defendant Union Oil. Defendant UNOCAL is a corporation organized under the laws of the State of Delaware. UNOCAL may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. UNOCAL,

by and through its parent corporation Union Oil, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, UNOCAL, by and through its parent corporation its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

24.(c) Defendant UNOCAL Exploration Corp. (“UNOCAL Exploration”) is a division, subsidiary or affiliate of Defendant Union Oil. Defendant UNOCAL Exploration is a corporation organized under the laws of the State of Delaware. UNOCAL Exploration may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. UNOCAL Exploration, by and through its parent corporation Union Oil, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, UNOCAL Exploration, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

(ix) British Petroleum (BP)

25.(a) **Defendant BP America, Inc.** (“BP America”) is a Corporation organized under the laws of the State of Ohio. BP America may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. BP

America, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, BP America, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

25.(b) Defendant BP Chemical, Inc. (“BP Chemical”) is a corporation organized under the laws of the State of Ohio. BP Chemical may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. BP Chemical, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, BP Chemical, by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

25.(c) Defendant BP Exploration & Oil, Inc. (“BP Exploration”) is a corporation organized under the laws of the State of Ohio. BP Exploration may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. BP Exploration, by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-

controlled lands. At all times relevant to the facts in this case, BP Exploration, by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

25.(d) Defendant BP North American Petroleum, Inc. (“BP North American”) is a corporation organized under the laws of the State of Ohio. BP North American may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. BP North American, by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, BP North American, by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

25.(e) Defendant BP Oil Company is a corporation organized under the laws of the State of Delaware. BP Oil Company may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, TX 75201. BP Oil Company, by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, BP Oil Company, by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of

Texas.

25.(f) Defendant BP Energy Co. is a corporation organized under the laws of the State of Texas. BP Energy Co. may be served with a Summons by serving its registered agent, Charles P. Pitts, County Road 1229, Godley, TX 76044. BP Energy Co., by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, BP Energy Co., by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

25.(g) Defendant BP Exploration Co. is a corporation organized under the laws of the State of Ohio. BP Exploration Co. may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. BP Exploration Co., by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, BP Exploration Co., by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

25.(h) Defendant BP Exploration, Inc. is a corporation organized under the laws of the State of Delaware. BP Exploration, Inc. may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul Street, Dallas, TX 75201. BP

Exploration, Inc., by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, BP Exploration, Inc., by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

25.(i) Defendant BP Exploration (Alaska), Inc. (“BP Alaska”) is a corporation organized under the laws of the State of Delaware. BP Alaska may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, TX 77002. BP Alaska, by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, BP Alaska, by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

25.(j) Defendant BP Operating, Inc. is a corporation organized under the laws of the State of Texas. BP Operating, Inc. may be served with a Summons by serving its registered agent, Henry S. Meyer, 1613 Avenue K, Hondo, TX 78861. BP Operating, Inc., by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to

the facts in this case, BP Operating, Inc., by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

25.(k) Defendant BP Oil Supply Company. is a corporation organized under the laws of the State of Delaware. BP Oil Supply Company may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. BP Oil Supply Company., by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, BP Oil Supply Company by and through its past and present representatives, agents, parent corporation, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

(x) **Phillips Petroleum**

26.(a) **Defendant Phillips Petroleum Company** ("Phillips") is a corporation organized under the laws of the State of Delaware. Phillips may be served with a Summons by serving its registered agent, United States Corporation Co., 400 N. St. Paul Street, Dallas, TX 75201. Phillips, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Phillips, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct

operations throughout the United States and Texas, including the Eastern District of Texas.

26.(b) Defendant Phillips 66 Co. ("Phillips 66") is a division, subsidiary or affiliate of Defendant Phillips. Phillips 66 is a corporation organized under the laws of the State of Delaware. Phillips 66 may be served with a Summons by serving its registered agent, United States Corporation Co., 807 Brazos, Suite 102, Austin, TX 78701. Phillips 66, by and through its parent corporation Phillips, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Phillips 66, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

26.(c) Defendant Phillips Oil Company ("Phillips Oil") is a division, subsidiary, or affiliate of Defendant Phillips Petroleum Company. Phillips Oil is a corporation organized under the laws of the State of Delaware. Phillips Oil may be served with a Summons by serving its registered agent, United States Corporation Co., 400 N. St. Paul Street, Dallas, TX 75201. Phillips Oil, by and through its parent corporation Phillips, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Phillips Oil, by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

(xi) **Pennzoil**

27.(a) **Defendant Pennzoil Company** ("Pennzoil") is a corporation organized under the laws of the State of Delaware. Pennzoil may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas, Houston, Texas 77002. Pennzoil, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Pennzoil, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

27.(b) **Defendant Pennzoil Exploration and Production Co.** ("Pennzoil Exploration") is a corporation organized under the laws of the State of Delaware. Pennzoil Exploration may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Pennzoil Exploration, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Pennzoil Exploration, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

27.(c) **Defendant Pennzoil Petroleum Co.** ("Pennzoil Petroleum") is a corporation organized under the laws of the State of Delaware. Pennzoil Petroleum may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas, Houston, Texas

77002. Pennzoil Petroleum, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Pennzoil Petroleum, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

27.(d) Defendant Pennzoil Producing Co. ("Pennzoil Producing") is a corporation organized under the laws of the State of Delaware. Pennzoil Producing may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Pennzoil Producing, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Pennzoil Producing, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

27.(e) Defendant Pennzoil United, Inc. ("Pennzoil United") is a corporation organized under the laws of the State of Delaware. Pennzoil United may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas, Houston, Texas 77002. Pennzoil United, by and through its corporate parent Pennzoil, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and

United States-controlled lands. At all times relevant to the facts in this case, Pennzoil United, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

27.(f) Defendant Pennzoil Products Company ("Pennzoil Products") is a corporation organized under the laws of the State of Nevada. Pennzoil Products may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas, Houston, Texas 77002. Pennzoil Products, by and through its corporate parent Pennzoil, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Pennzoil Products, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

27.(g) Defendant Pennzoil Louisiana and Texas Offshore, Inc. ("Pennzoil Offshore") is a corporation organized under the laws of the State of Delaware. Pennzoil Offshore may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas, Houston, Texas 77002. Pennzoil Offshore, by and through its corporate parent Pennzoil, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Pennzoil Offshore, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout

the United States and Texas, including the Eastern District of Texas.

(xii) **Kerr-McGee**

28.(a) **Defendant Kerr-McGee Corp.** (“Kerr-McGee”) is a corporation organized under the laws of the State of Delaware. Kerr-McGee may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Kerr-McGee by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Kerr-McGee, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

28.(b) Defendant Kerr-McGee Oil Industries, Inc. is a corporation organized under the laws of the State of Delaware. Kerr-McGee Oil Industries, Inc. may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Kerr-McGee Oil Industries, Inc. by and through its parent corporation Kerr-McGee, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Kerr-McGee Oil Industries, Inc., by and through its parent corporation its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

28.(c) Defendant Kerr-McGee Petroleum Exploration and Production (“Kerr-McGee Petroleum”) is a corporation organized under the laws of the State of Delaware. Kerr-McGee

Petroleum may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Kerr-McGee Petroleum by and through its parent corporation Kerr-McGee, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Kerr-McGee Petroleum by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

28.(d) Defendant Kerr-McGee Exploration and Production Corporation (“Kerr-McGee Exploration”) is a corporation organized under the laws of the State of Delaware. Kerr-McGee Exploration may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Kerr-McGee Exploration by and through its parent corporation Kerr-McGee, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Kerr-McGee Exploration by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

28.(e) Defendant Kerr-McGee Refining Corp. (“Kerr-McGee Refining”) is a corporation organized under the laws of the State of Delaware. Kerr-McGee Refining may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas

75201. Kerr-McGee Refining, by and through its parent corporation Kerr-McGee, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Kerr-McGee Refining by and through its parent corporation, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

(xiii) Oryx Energy

29.(a) **Defendant Oryx Energy Co..** ("Oryx") is a corporation organized under the laws of the State of Delaware. Oryx may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Oryx by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Oryx, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

29.(b) Defendant Oryx Crude Trading and Transportation, Inc. ("Oryx Crude") is a corporation organized under the laws of the State of Delaware. Oryx Crude may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Oryx Crude, by and through its parent corporation Oryx, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and

United States-controlled lands. At all times relevant to the facts in this case, Oryx Crude, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

29.(c) Defendant Sun Company, Inc. (R&M) ("Sun Company") is a corporation organized under the laws of the State of Pennsylvania. Sun Company may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Sun Company, Inc. by and through its parent corporation Oryx, its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Oryx Crude, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

(xiv) **Oxy**

30.(a) **Defendant Oxy USA, Inc..** ("Oxy") is a corporation organized under the laws of the State of Delaware. Oxy may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 800 Brazos, Austin, Texas 78701. Oxy by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Oxy, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout

the United States and Texas, including the Eastern District of Texas.

30.(b) Defendant Oxy Petrochemicals, Inc. ("Oxy Petrochemicals") is a corporation organized under the laws of the State of Delaware. Oxy Petrochemicals may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 800 Brazos, Austin, Texas 78701. Oxy Petrochemicals, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Oxy Petrochemicals, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

30.(c) Defendant CanadianOxy Offshore Production Company ("CanadianOxy") is a corporation organized under the laws of the State of Delaware. CanadianOxy may be served with a Summons by serving its registered agent, Prentice-Hall Corporation System, 800 Brazos, Austin, Texas 78701. CanadianOxy, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, CanadianOxy, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

(xv) Union Pacific Corporation

31.(a) **Defendant Union Pacific Corporation** ("Union Pacific") is a corporation

organized under the laws of the State of Utah. Union Pacific may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201.

Union Pacific, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Union Pacific, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

31.(b) Defendant Union Pacific Fuels, Inc. ("Union Pacific Fuels") is a corporation organized under the laws of the State of Delaware. Union Pacific Fuels may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Union Pacific Fuels, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Union Pacific Fuels, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

31.(c) Defendant Union Pacific Resources Co. ("Union Pacific Resources") is a corporation organized under the laws of the State of Delaware. Union Pacific Resources may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Union Pacific Resources, by and through its past and present

representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Union Pacific Resources, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

31.(d) Defendant Union Pacific Austin Chalk Co. ("Union Pacific Austin") is a corporation organized under the laws of the State of Delaware. Union Pacific Austin may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Union Pacific Austin, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Union Pacific Austin, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

31.(e) Defendant Union Pacific Resources Group Company ("Union Pacific Group") is a corporation organized under the laws of the State of Utah. Union Pacific Group may be served with a Summons by serving its registered agent, CT Corporation System, 350 N. St. Paul, Dallas, Texas 75201. Union Pacific Group, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Union Pacific Group by and

through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

31.(f) Defendant Union Pacific Oil and Gas Company. ("Union Pacific Oil") is a corporation organized under the laws of the State of Delaware. Union Pacific Oil may be served with a Summons by serving its registered agent, CT Corporation System, 811 Dallas Avenue, Houston, Texas 77002. Union Pacific Oil, by and through its past and present representatives, agents, subsidiaries, divisions and/or affiliates, is in the business of producing crude oil in the United States, including crude oil produced from United States-owned and United States-controlled lands. At all times relevant to the facts in this case, Union Pacific Oil, by and through its past and present representatives, agents, parent corporation(s), subsidiaries, divisions and/or affiliates, conducted and continue to conduct operations throughout the United States and Texas, including the Eastern District of Texas.

IV.

FACTS

32. The United States owns and/or controls real property, including off-shore lands and American-Indian owned lands, which contain vast resources of crude oil. These properties are scattered across more than 27 million acres of land including off-shore and on-shore tracts located in, or off the coasts of Texas, Louisiana, Mississippi, California, Alabama, Alaska, Oklahoma, Arkansas, Colorado, Arizona, Florida, Kansas, Michigan, Montana, North Dakota, Nebraska, New Mexico, Nevada, South Dakota, Utah and Wyoming.

33. These lands have been parceled into more than 6,000 leases, which in 1998, are expected to bring more than 5 billion dollars in revenue known as "oil royalties" to the United

States Treasury.

34. The United States leases these 6,000 parcels to the oil industry — including the named Defendants — with the legal expectancy that Defendants will fully compensate the United States through legally required payments – the “oil royalties” – from oil that is produced from these lands. These royalty payments translate into real dollars that the United States uses to run the United States and otherwise fund social and other programs that aid all Americans, including programs for school children, the elderly and national defense.

35. The collection of United States’ royalties from federal lands is administered by the Management Minerals Service (“MMS”) of the United States Department of the Interior (“DOI”).

36. The United States, through the MMS, requires each lessee to file a monthly report (Form MMS-2014; “Report of Sales and Royalty Remittance”) of oil sales and royalty remittances for the preceding production month. This report form requires the lessee to state the sales values and volumes at which the oil royalties have been calculated for royalty payments.

37. Form MMS-2014 bears the following statement:

“WARNING: This is to inform you that failure to report accurately and timely in accordance with the statutes, regulations, or terms of the lease, permit, or contract may result in late payment charges, civil penalties, or liquidated damages being assessed without further notification. Intentional false or inaccurate reporting is subject to criminal prosecution in accordance with applicable Federal law(s).”

38. In addition, Form MMS-2014 has a signature line which bears the following statement: “I have read and examined the statements in this report and agree that they are accurate and complete.”

39. The United States, though the MMS, has published an “Oil and Gas Payor Handbook Volume II” (“Handbook”) which is designed to “assist payors” (i.e., the Defendants herein) in preparing reports pursuant to the Auditing and Financial System (“AFS”) promulgated by the MMS Royalty Management program.

40. Data information submitted by “payors,” including the Defendants, is submitted on form (PIF) MMS-4025 and Form MMS 2014 is used to report sales and royalties. The Handbook specifies four different authorized reporting formats for use by payors to report their royalties to the United States MMS. Those formats include: Form MMS-2014 (“Report of Sales and Royalty Remittance”); Model Form MMS-2014 (“MMS computer-generated” version of the Form MMS-2014 with preprinted information); Payor computer-generated Form MMS-2014 (Payor-generated facsimile of the Form MMS-2014); and Magnetic/cartridge tape - (Tape reporting medium of the form MMS-2014).

41. The Code of Federal Regulations (“C.F.R.”) at 30 C.F.R. Section 206.102 provides the royalty valuation standard for oil produced from federal lands. Subsection (h) of this section provides as follows:

“(h) Notwithstanding any other provision of this section, under no circumstances shall the value of production, for royalty purposes, be less than **the gross proceeds accruing to the lessee** for lease production, less applicable allowances [for transportation] determined pursuant to this subpart.” (Emphasis added.)

42. At least since 1986, the “value” of production for royalty purposes on which the Defendants have calculated and paid the United States royalties has been less than the true total consideration received by the Defendants (“Gross Proceeds”).

43. The Defendants have disguised from the United States and other parties the true and total consideration received for the oil through a number of schemes described herein.

44. All Defendants are sophisticated buyers, sellers, and traders of oil. Defendants produce a majority of the oil produced in this country. Additionally, some of the Defendants, through their affiliates, also refine a large portion of the oil produced in this country. As sophisticated producers, refiners, buyers, sellers, and traders of oil, Defendants have received at least market values for their own production of lease oil in the last twelve years. Moreover, some of the Defendants have been the “market makers” for domestic oil, including their own lease production in the past twelve years.

45. Defendants have knowledge of the true gross proceeds which they received for their lease production of oil. Furthermore, they know and have known that these gross proceeds have been greater than the basis on which they have made their oil royalty payments to the United States.

46. Consequently, each monthly report Form MMS-2014 filed by Defendants has knowingly and falsely stated both the gross proceeds accruing to Defendants for their lease production of oil and the amounts owed by Defendants to the United States. Defendants made false representations in order to conceal, avoid or decrease their obligations to pay or transmit money to the United States.

47. Item 16 of Form MMS-2014 is entitled “Sales Value.” All monthly Form MMS-2014s filed (at item 16) by each Defendant during the last twelve years state a price which is less than the Defendants’ actual gross proceeds or equivalent market value for oil. These statements were knowing false statements. Therefore, each statement is a separate violation of the False Claims Act for which civil penalties lie. Relators seek to recover from each Defendant herein named the maximum civil penalty for each such separate violation.

48. Item 18 of Form MMS-2014 is entitled “Royalty Value.” All monthly Form MMS-2014s (item 18) filed by each Defendant during the past twelve (12) years state a price which is less than the Defendants’ actual gross proceeds or equivalent market value for oil. These statements were knowing false statements and each is a separate violation of the False Claims Act for which a civil penalty lie. Relators seek to recover from each such Defendant herein the maximum civil penalty for each such separate violation.

49. Domestic oil production has not decreased below 6.4 million barrels per day, while domestic demand for refined products now exceeds 17.7 million barrels per day. Normally this situation would create a “seller’s market” for the United States’ royalty oil, which totals hundreds of thousands of barrels per day. However, as a result of the schemes alleged herein, no such seller’s market exists. There is no effective competition to buy the United States’ royalty oil from it at market values.

The Schemes

50. The Defendants have used at least seven schemes to mislead the United States and thereby underpay their oil royalty obligations. These schemes have included: (i) misrepresenting that the first sale of oil under buy/sell agreements between themselves and/or other parties is the actual value received for the oil, (ii) buying and selling crude oil at the wellhead (to and from each other and other non-Defendant oil producers) at values less than what should have been received in an arm’s-length transaction with the implicit understanding that, as long as approximately equal volumes were bought and sold, the net financial impact would be neutral, (iii) using sales to affiliated companies to mask the true value of the oil, (iv) using an artificially low price for valuing the oil when it is refined by the Defendants and never finally sold, (v) falsely classifying oil as lower-priced “sour” (higher sulphur content) crude oil, or as oil subject

to quality penalties, when such oil is/was in fact higher-valued “sweet” (lower sulphur content) crude oil, or oil not subject to any quality penalties or oil subject to a lesser amount of quality penalties than represented by Defendants, (vi) paying royalties on the basis of lower-priced “sour” crude oil, and then commingling such “sour” crude oil with higher-priced “sweet” crude oil and selling the commingled mass as all “sweet” crude oil commanding a higher price not shared with the United States as royalty owner, and (vii) paying royalties on the basis of API gravity penalties, when in fact such oil has been commingled to yield a mixture of oil not subject to API gravity penalties, or oil subject to offsetting API gravity penalties (i.e., 46 degrees API gravity oil commingled with 39 degrees API gravity oil, when the non-penalty range is 40 degrees to 45 degrees), and selling the commingled oil without API gravity penalty, but charging the United States as royalty owner for such non-existent gravity penalty.

51. Under the first scheme, instead of actually selling the oil at the wellhead for a true and total cash price, the Defendants have entered into buy/sell agreements with each other and with oil transportation companies. Under these buy/sell agreements, the Defendants sell oil from the lease for consideration which includes cash, plus substantial additional value obtained through discounted crude oil purchases at other locations. Under the buy/sell agreements, the oil is “sold” at the wellhead by Defendant “A” to another party (either another Defendant or non-Defendant) whereupon the other party subsequently “sells” back to Defendant “A” an equivalent volume of oil at another location. Because the buy/sell agreements are essentially exchange agreements, the value assigned to either side of the transaction is irrelevant. A common practice in the oil industry for buy/sell agreements has been to set the price of crude oil at the wellhead equal to the posted price for that location (except for the federal offshore leases where the price at the first on-shore location is set equal to the posted price). By this scheme, the Defendants

have misrepresented (and continue to misrepresent) the true value actually received for the oil produced from federal lands. This scheme has resulted in lower royalty payments to the United States.

52. The second scheme used by the Defendants to shortchange the United States involves selling crude oil at an artificially low price through apparently “final” sales. This commonly occurs when one oil company markets the oil (the “Marketer”) on behalf of other parties in the same property (the “Payees”). The Marketer enters into agreements with a third party to sell or exchange the lease crude oil, and the Payees are paid based upon a value less than the total consideration received by the Marketer. The Payees receive only a portion of the total value received by the Marketer for their oil, while the Marketer retains all of the incremental value of the oil from the lease. Although this results in the Marketer receiving a net higher value for the oil than the Payees for that particular lease, it provides a variety of benefits to some of the Payees. Although the Payees receive less than their full share of value from the sale of the oil from that particular lease, some of them understand that they will have the opportunity to extract similar value on the other leases where they are the Marketer. In fact, because severance tax and royalty obligations often amount to 20% or more of the total value of the crude oil, the oil companies only need to be able to obtain the reciprocal benefit on approximately 80% of their total operated volumes in order to break even. This is a strong benefit to the Defendants because they effectively obtain full value for their oil without having to aggressively market the oil from all of their properties.

53. The third scheme used by the Defendants to disguise the actual market value of United States oil involves utilizing companies affiliated with the Defendant(s) to purchase the oil for a value less than the Defendant(s) could have obtained in the sale of the oil through a true

arm's length transaction. As a result of a series of one or more transactions – with the same or other affiliated companies – following this original sale, the Defendant(s) is/are able to fully capture the full value of its oil without making royalty payments to the United States on the full value realized by the Defendants for the oil.

54. Under the Defendants' fourth scheme, the oil is not sold, but instead is refined by the same company who produced the oil belonging to the United States. In these situations, the Defendants simply have misrepresented to the United States that the royalty price represented the true and total consideration they would have obtained for the oil in an arm's length sale. However, the royalty price paid was substantially less than the price which the Defendants would have had to pay in an arm's length purchase of that same oil in an open and fully competitive market.

55. The fifth scheme employed by the Defendants involves the under payment of oil royalties owed to the United States by falsely classifying oil as lower-priced "sour" crude oil, or as oil subject to quality penalties, when such oil is/was in fact higher-valued "sweet" crude oil, or oil not subject to any quality penalties or oil subject to a lesser amount of quality penalties than represented by Defendants.

56. The sixth scheme employed by the Defendants involves the underpayment of oil royalties owed to the United States by misrepresenting the quality of oil for valuation purposes. In many instances, the royalties were paid on the basis of lower-priced "sour" crude oil, and then the royalty oil was commingled with higher-priced "sweet" crude oil, and the commingled mass was sold as all "sweet" crude oil commanding a higher price not shared with the federal United States as royalty owner.

57. The seventh scheme employed by the Defendants involves the underpayment of oil royalties owed to the United States by paying royalties on the basis of API gravity penalties. This occurs when oil subject to API gravity penalties is commingled with oil not subject to API gravity penalties or when oil subject to offsetting API gravity penalties is commingled with different grades of API gravity penalty oils (i.e., 46 degrees API gravity oil commingled with 39 degrees API gravity oil, when the non-penalty range is 40 degrees to 45 degrees). Once commingling is accomplished the oil company sells the oil without API gravity penalty, but charges the United States as a royalty owner for such non-existent gravity penalty.

58. Since at least 1986, all of the Defendants have engaged (and most continue to engage) in some or all of the above false crude oil valuation and royalty payment practices, thereby damaging (and continuing to damage) the United States.

59. The false statements described above constituted false and/or fraudulent claims within the meaning of 31 U.S.C. § 3729.

60. As a result of such false and/or fraudulent claims being presented to the United States, the United States was damaged.

61. Damages to the United States include the amounts by which oil royalties have been calculated and paid on bases less than the gross proceeds actually accruing to Defendants for their lease production.

62. Calculated from the information which forms the basis of this complaint, the damages to the United States and penalties under law may exceed five (5) billion dollars.

V.

COUNT I

(False Claims Act — 31 U.S.C. § 3729(a)(1))

63. The preceding factual statements and allegations are incorporated herein by reference.

64. Through their unlawful conduct, as described in this complaint, the Defendants have knowingly presented, or caused to be presented, to an officer or employee of the United States a false or fraudulent claim for payment or approval.

65. These false and fraudulent claims have been made in various documents filed with the United States including but not limited to Form MMS-2014, and other various records which were fraudulently developed to support Form MMS-2014 filings and other documents filed with the United States. Upon information and belief, the aggregate number of the false claims submitted by the Defendants exceeds 500,000 claims.

66. The Defendants unlawful conduct is continuing in nature and thus threatens to deprive the United States of its legal entitlement to a full share of oil royalties on the leased properties.

WHEREFORE, the Relators, on behalf of themselves and the United States, request that:

- A. the Defendants be cited to appear and answer and, upon final trial or hearing, judgment be awarded to Plaintiffs and imposed upon the Defendants, jointly and severally, for:
 - (i) all actual, incidental and/or consequential damages (in the form of underpaid crude oil royalties) sustained by the United States;
 - (ii) treble damages pursuant to 31 U.S.C. § 3729(a);
 - (iii) civil penalties pursuant to 31 U.S.C. § 3729(a); and

- (iv) post-judgment interest at the highest legal rates, where applicable.

B. that:

- (i) they be awarded reasonable and necessary attorneys' fees, litigation expenses and court costs through the trial and any appeals of this case;
- (ii) in the event that the United States intervenes in and proceeds with this action, the Relators be awarded an amount for originating this action of at least 15%, but not more than 25%, of the proceeds of the action or settlement;
- (iii) in the event that the United States does not intervene in and proceed with this action against all Defendants, the Relators be awarded an amount for originating and prosecuting this action and collecting the civil penalties and damages, which shall be not less than 25% nor more than 30%, of the proceeds of the action or settlement; and
- (iv) they be awarded post-judgment interest at the highest legal rates, where applicable.

C. that on behalf of themselves and the United States, request that this Court grant such other and further relief, both at law and in equity, to which they are justly entitled.

COUNT II

(False Claims Act — 31 U.S.C. § 3729(a)(2).)

67. The preceding factual statements and allegations are incorporated herein by reference.

68. Through their unlawful conduct, as described in this complaint, the Defendants have made, used or caused to be made or used, a false record or statement to get a false or fraudulent claim paid or approved by the United States.

69. These false and fraudulent records and or statements have been made in documents including but not limited to Form MMS-2014. Upon information and belief, the aggregate number of false claims exceeds 500,000 claims.

70. The Defendants' unlawful conduct is continuing in nature and thus threatens to deprive the United States of its legal entitlement to a full share of oil royalties on the leased properties.

WHEREFORE, the Relators, on behalf of themselves and the United States, request that:

- A. the Defendants be cited to appear and answer and, upon final trial or hearing, judgment be awarded to the Plaintiffs and imposed upon the Defendants, jointly and severally, for:
 - (i) all actual, incidental and/or consequential damages (in the form of underpaid crude oil royalties) sustained by the United States;
 - (ii) treble damages pursuant to 31 U.S.C. § 3729(a);
 - (iii) civil penalties pursuant to 31 U.S.C. § 3729(a); and
 - (iv) post-judgment interest at the highest legal rates, where applicable.
- B. that:

- (i) they be awarded reasonable and necessary attorneys' fees, litigation expenses and court costs through the trial and any appeals of this case;
- (ii) in the event that the United States intervenes in and proceeds with this action, the Relators be awarded an amount for originating this action of at least 15%, but not more than 25%, of the proceeds of the action or settlement;
- (iii) in the event that the United States does not intervene in and proceed with this action against all Defendants, the Relators be awarded an amount for originating and prosecuting this action and collecting the civil penalties and damages, which shall be not less than 25% nor more than 30%, of the proceeds of the action or settlement; and
- (iv) they be awarded post-judgment interest at the highest legal rates, where applicable.

C. that on behalf of themselves and the United States, request that this Court grant such other and further relief, both at law and in equity, to which they are justly entitled.

COUNT III

(False Claims Act — 31 U.S.C. § 3729(a)(3).)

71. The preceding factual statements and allegations are incorporated herein by reference.

72. The Defendants acting with and through each other, and other unnamed parties within the oil industry, have conspired and confederated to defraud the United States or paid by the United States. Each and every Defendant performed an overt act in furtherance of the conspiracy and the United States of America sustained damages as a result thereof. The Defendants' unlawful conduct is continuing in nature and thus threatens to deprive the

United States of its legal entitlement to a full share of oil royalties on the leased properties.

WHEREFORE, the Relators, on behalf of themselves and the United States, request that:

- A. the Defendants be cited to appear and answer and, upon final trial or hearing, that judgment be awarded to Plaintiffs and imposed upon the Defendants, jointly and severally, for:
 - (i) all actual, incidental and/or consequential damages (in the form of underpaid crude oil royalties) sustained by the United States;
 - (ii) treble damages pursuant to 31 U.S.C. § 3729(a);
 - (iii) civil penalties pursuant to 31 U.S.C. § 3729(a); and
 - (iv) post-judgment interest at the highest legal rates, where applicable.
- B. that:
 - (i) they be awarded reasonable and necessary attorneys' fees, litigation expenses and court costs through the trial and any appeals of this case;
 - (ii) in the event that the United States intervenes in and proceeds with this action, the Relators be awarded an amount for originating this action of at least 15%, but not more than 25%, of the proceeds of the action or settlement;
 - (iii) in the event that the United States does not intervene in and proceed with this action against all Defendants, the Relators be awarded an amount for originating and prosecuting this action and collecting the civil penalties and damages, which shall be not less than 25% nor more than 30%, of the proceeds of the action or settlement; and
 - (iv) they be awarded post-judgment interest at the highest legal rates, where applicable.

- C. that on behalf of themselves and the United States, request that this Court grant such other and further relief, both at law and in equity, to which they are justly entitled.

COUNT IV

(False Claims Act — 31 U.S.C. § 3729(a)(7).)

73. The preceding factual statements and allegations are incorporated herein by reference.

74. The Defendants have knowingly made, used or caused to be made or used, a false record or statement to illegally decrease their obligation to the United States to pay their full share of oil royalties.

75. The Defendants' unlawful conduct is continuing in nature and thus threatens to deprive the United States of its legal entitlement to a full share of oil royalties on the leased properties.

WHEREFORE, the Relators, on behalf of themselves and the United States, request that:

- A. the Defendants be cited to appear and answer and, upon final trial or hearing, that judgment be awarded to Plaintiffs and imposed upon the Defendants, jointly and severally, for:
- (i) all actual, incidental and/or consequential damages (in the form of underpaid crude oil royalties) sustained by the United States;
 - (ii) treble damages pursuant to 31 U.S.C. § 3729(a);
 - (iii) civil penalties pursuant to 31 U.S.C. § 3729(a); and

- (iv) post-judgment interest at the highest legal rates, where applicable.

B. that:

- (i) they be awarded reasonable and necessary attorneys' fees, litigation expenses and court costs through the trial and any appeals of this case;
- (ii) in the event that the United States intervenes in and proceeds with this action, the Relators be awarded an amount for originating this action of at least 15%, but not more than 25%, of the proceeds of the action or settlement;
- (iii) in the event that the United States does not intervene in and proceed with this action against all Defendants, the Relators be awarded an amount for originating and prosecuting this action and collecting the civil penalties and damages, which shall be not less than 25% nor more than 30%, of the proceeds of the action or settlement; and
- (iv) they be awarded post-judgment interest at the highest legal rates, where applicable.

C. that on behalf of themselves and the United States, request that this Court grant such other and further relief, both at law and in equity, to which they are justly entitled.

Respectfully submitted:

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Relators' First Consolidated Complaint has been served on counsel for the United States, as set forth below, by hand delivery, overnight delivery, certified mail, postage pre-paid, return receipt requested, on February ____, 1998.

Michael A. Havard

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